

## Recommendation:

In order to best address a set of long standing parking issues, the Parking Advisory Board seeks Council approval to begin the process of adding pay parking from 11:00 AM to 5:00 PM in Marina Park lot and in the Lake and Central. The first hour of all parking would be free. (option 1 a see below) This will extend the existing pay parking, and will result in pay parking in the two lots from 11:00 AM to 9:00 PM. If approved, the PAB would return to Council with more details on how and when the changes would take place.

## Background:

This memo begins with a description of **four** long standing issues identified by the PAB. Following a description of the issues, options for solutions are identified and described along with a description of how the solutions address each of the issues. This is followed by “costs section and conclusions are summarized at the end of memo.

Describe the original study KMC parking guidelines and the survey referred to here

A paragraph describing pay parking as a management and revenue generating strategy?

Something about LPR even if it is to say we’re not addressing it here.

### ***Issues identified by PAB:***

*During evenings and seasonally at other times, parking demand is greater than parking supply. A funding strategy for adding more supply has not been formalized.*

During most evenings, and seasonally during other times of the day, demand at the parking lots at Lake and Central exceeds 85% occupancy. On-street parking in the downtown core sees similar occupancy patterns<sup>1</sup>. The non-permit areas of the Library garage also exceed capacity during certain times of the year. Under the adopted KMC Parking Guidelines, when parking exceeds 85 percent and turnover meets desired rates, the City will take action to implement necessary next steps. Public parking can almost always be found at the Park and Main lot, and on-street outside the downtown core. In the Marina lot, occupancy is usually below 85%, but during the day employee parking pushes occupancy above 85%. Through restriping and leasing, an additional 89 stalls have been added to the public parking supply. The 2003 Parking Study estimated parking supply deficits between 115 to 159 stalls. The PAB estimates that approximately 200 stalls will be needed for future demand. **Need reason why we say that**

Stakeholder processes both in 2008 and 2011 have been used by the PAB to analyze how best to add new supply and identified two conclusions: 1) additional dedicated public parking is best added by partnering with private development; i.e. paying developers to add stalls for public use as they construct

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<sup>1</sup> Utilization of pay parking stalls can be estimated based on revenue received. This allows calculation of utilization in the Park and Main lot and during the evenings at the Marina and Lake/Central lots. Prior to December 2010 utilization manual studies were carried out quarterly at both lots and on-street. These studies were ended due to staff and budget reductions. The LPR can provide data on occupancy, but this source has not been analyzed.

their project and 2) the most likely source for revenue is from pay parking. Last summer's parking survey results, showed that 55% want to use parking revenue to fund new supply. A benefit district funded by property owners that would benefit from the added supply and city funds are other potential sources of revenue. The PAB has found little support for these sources.

TABLE with UTILIZATION

Park & Main 2011													
84 stalls	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Pay Station Revenue	\$ 3,341.65	\$ 3,454.90	\$ 5,464.35	\$ 5,744.95	\$ 5,139.25	\$ 6,618.55	\$ 9,033.10	\$ 8,923.20	\$ 6,860.85	\$ 4,606.60	\$ 4,354.45	\$ -	\$ 63,541.85
Pay Station Transactions	1,475	1,559	2,479	2,819	2,536	3,095	4,191	4,148	3,185	3,073	1,966	-	30,526
Average time paid	2 hr 16 min	2 hr 13 min	2 hr 13 min	2 hr 2 min	2 hr 2 min	2 hr 8 min	2 hr 9 min	2 hr 9 min	2 hr 9 min	1 hr 50 min	2 hr 13 min		2 hr 8 min
Occupancy %	13.8%	14.9%	20.9%	21.9%	20.4%	25.3%	34.5%	32.8%	27.2%	18.3%	18.0%		20.7%
Net revenue per stall	\$ 33.04	\$ 33.53	\$ 58.98	\$ 51.39	\$ 51.75	\$ 65.66	\$ 80.49	\$ 97.22	\$ 68.73	\$ 51.90	\$ 42.74		\$52.95
Net revenue to owner	\$ 2,775.20	\$ 2,816.93	\$ 4,954.69	\$ 4,317.10	\$ 4,347.32	\$ 5,515.72	\$ 6,761.31	\$ 8,166.10	\$ 5,773.30	\$ 4,359.91	\$ 3,590.22		\$ 53,377.80
Current month "revenue to owner" is estimated, until 3rd week of following month													

Lake & Central 2011													
50 stalls	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Pay Station Revenue	\$ 3,944.40	\$ 4,043.30	\$ 5,285.65	\$ 5,090.50	\$ 5,224.40	\$ 5,834.55	\$ 5,719.55	\$ 6,326.10	\$ 5,505.65	\$ 4,906.60	\$ 3,893.60	\$ -	\$ 55,714.30
Pay Station Transactions	2,074	2,134	2,827	2,735	2,878	3,310	3,131	3,391	2,923	2,606	2,024	-	30,033
Average time paid	1 hr 54 min	1 hr 54 min	1 hr 52 min	1 hr 50 min	1 hr 49 min	1 hr 46 min	1 hr 50 min	1 hr 52 min	1 hr 53 min	1 hr 53 min	1 hr 55 min		1 hr 46 min
Occupancy %	82.2%	87.9%	101.6%	96.7%	104.5%	112.2%	110.0%	117.2%	110.1%	98.1%	81.1%		91.8%
Approx. revenue per stall	\$ 69.42	\$ 71.16	\$ 93.03	\$ 88.54	\$ 91.95	\$ 102.69	\$ 100.66	\$ 111.34	\$ 96.90	\$ 86.36	\$ 68.53	\$ -	\$81.71

Lakeshore Plaza 2011													
123 stalls	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Pay Station Revenue	\$ 4,455.30	\$ 4,743.50	\$ 6,932.40	\$ 7,714.65	\$ 7,788.05	\$ 10,117.85	\$ 9,508.55	\$ 11,319.00	\$ 8,179.30	\$ 5,701.25	\$ 4,935.00	\$ -	\$ 81,394.85
Pay Station Transactions	2,452	2,619	3,739	4,366	4,466	5,793	5,368	6,199	4,354	3,073	2,579	-	45,008
Average time paid	1 hr 49 min	1 hr 49 min	1 hr 51 min	1 hr 46 min	1 hr 45 min	1 hr 45 min	1 hr 46 min	1 hr 50 min	1 hr 53 min	1 hr 51 min	1 hr 55 min		1 hr 49 min
Occupancy %	37.7%	41.9%	54.2%	60.3%	63.3%	79.1%	74.3%	85.2%	66.5%	46.4%	41.8%		54.2%
Approx. revenue per stall	\$ 31.88	\$ 33.94	\$ 49.60	\$ 55.19	\$ 55.72	\$ 72.39	\$ 68.03	\$ 80.98	\$ 58.52	\$ 40.79	\$ 35.31	\$ -	\$48.53

Note: Pay Station Revenue is from Cale webpage

*Confusion by parkers about regulations and signing.*

Both the Marina Park lot and the Lake and Central lot require pay parking at all stalls between 5:00 PM and 9:00 PM. During other hours, parking is free with a maximum 3 hour stay.



It is difficult to design clear and concise signs that give this message to parkers. Many of the parking complaints received by the City regard these signs and confusion that arises from their message. Most complaints involve a parker receiving a ticket and feeling that the sign led them to believe that parking was free. **Comment here about clarity of regulations from the survey. Not many thought the signs were confusing on the direct question, but in the comments it was a frequent complaint.** Pay parking is available at the Park and Main lot from 9:00 AM to 9:00 PM and there is no time limit. The PAB feels that to the extent possible rules should be consistent across facilities in order to provide clear guidance to all parkers. This is balanced against the need to modify regulations to meet market conditions which vary from location to location.

*Facilities, particularly the library garage, are not maintained to provide a clean, welcoming environment. Capital equipment such as pay stations are not funded for replacement.*

**Did the parking study talk about this?** Lack of lighting, cleanliness, safety and security has been long standing issues with regard to the library garage. In particular, the garage elevator is site of many unsavory acts and the residue they produce. For visitors, the library garage may be where Kirkland makes its first impression. Adequate resources are not being dedicated to the upkeep of the library garage. A recent parking survey indicated that 43% support the use revenue for maintaining parking facilities. An additional maintenance need is regular replacement of pay stations when they reach the end of their useful life. Currently there are two pay stations in need of replacement. New pay stations cost approximately \$8,850.

*Employees regularly use parking that should be available for customers and there is an under-utilization of the employee parking areas of the library garage.*

**What did parking study say about this?** On June 1, 1998, the City implemented Park Smart, designed to provide downtown employees a parking place in the library garage. An ordinance prohibited downtown employees from parking in certain areas downtown. Park Smart proved relatively effective, but cumbersome and by its nature provided an incentive for employees not to register with the system. This is because by not getting a sticker, employees could “hide” in downtown stalls. For some that was a greater incentive than a stall in the Library garage. In 2005 Council revised the Park Smart ordinance at the recommendation of the PAB. One of the changes tied the need to register employees into Park Smart with the ability to receive a business license. This led to increased compliance at the expense of additional staff work. In 2011, budget reductions eliminated the Park Smart registration efforts in the Finance and Police departments. Public Works took over a much reduced program where free permits for the library garage are offered to downtown employees. The Park Smart ordinance is still valid, but is not being actively enforced.

Even during Park Smart’s peak there was substantial abuse, particularly in the evening. Today, we know that there are many employees using the Marina Park lot. One PAB member works near the lot and has documented the problem. It can most clearly be seen by observing the occupancy of the Marina Lot after office employees arrive but before retail stores open. **Got numbers?** Under the adopted KMC 3.40.060, parking regulations identify customers as the highest priority for parking in the downtown

lots. Employees are clearly using stalls that should be available for customers. Employees move their vehicles once or twice throughout the day and are not subject to violation because the City does not have a move to evade ordinance.

### **Options for addressing concerns**

#### **Need introduction paragraph**

1. Implement pay parking in the Marina and Lake/Central lots from 11:00 AM to 5:00 PM. This will extend the existing pay parking, and will result in pay parking in the two lots from 11:00 AM to 9:00 PM with 3 hour time-limits.

There are three sub-options that could be added singly or in combination with Option 1.

- a) First hour free provision. This would help address the concern of some downtown merchants that pay parking is impractical for those customers who need to make a short stop or visit. All pay parking would be free for the first hour. All parkers would still have to go to the pay station and get a receipt to display on their dashboard, but if they wanted an hour or less of time they would not be charged. Under this system it would be possible for a parker to repeatedly get free receipts and park for free for more than an hour. The PAB believes that only a minimal number of people are likely to do this. There is potential that a first hour free provision would lead to confusion. It is not hard to imagine parkers hearing that Kirkland did not charge for the first hour of parking and walking away from their vehicle only to return (less than an hour later) and find a ticket for not displaying a receipt. Not surprisingly, the survey respondents overwhelmingly supported a first hour free provision. The PAB has not had the opportunity to fully analyze the impacts of a first hour free on revenue, but they could be substantial, on the order of 40-50%. Implementing this option at the Park and Main lot will require approval of the owner.
- b) Move to evade ordinance. (this sub-option could be used with either option 1 or option 2) If pay parking is extended in the lots, employees parking there now may begin to use on-street parking intended for customers. Two hour time limits on the street would require the typical employee to move several times throughout the day. A move to evade ordinance would allow enforcement to cite vehicles that move in this way. For example: one zone might include Kirkland Avenue and all streets north of Kirkland Way and one zone might include all streets south of Kirkland Avenue. Vehicles parked for more than two hours in either zone during the same day would receive a citation. Some complications with a move to evade ordinance may include:
  - Difficulty educating drivers on the area limits of the zones and the meaning of the zones.
  - Costs for installing zone signs
  - Implementing an education program
  - Customers using one zone in the morning and coming back to the same zone in the evening would also receive a citation depending on when the zones “reset”. The LPR could be used to enforce this type of move to evade ordinance.

During periods of heavy demand, employees may find it so difficult to move; therefore they will not attempt to park on-street. During periods of light demand, moving to evade may not meaningfully impact customer parking supply.

- c) In keeping consistent with the Park and Main lot, when parking is pay there are no time limits, however when parking is free, there is a 3-hour limit (9:00 AM to 5:00 PM). Implementing pay parking and removing time limits would not change anything. Removing time limits allows customers maximum flexibility in extending their stay. It also runs the risk of reducing turnover. The PAB believes that the market rate of day time parking in the Kirkland downtown is less than \$1/hour and that it would be unlikely that employees would be willing to pay \$8 or \$9 per day to park when free parking is readily available within a short walk.
- 2. Enforce Park Smart KMC 12.45.250 in the Marina and Lake/Central only. This would be done by Parking Enforcement Officers identifying chronic abusers (with aid from the LPR) and addressing them specifically. Signing would be placed at the lots that indicate employee parking is not allowed. There would be no other changes to the parking regulations. This option is focused at reducing the employee parking issue in the lots. It does not address the other issues directly. Sub-option b) could be used with Option 2.

Comparison of Options and the issues they address

Options Issues	Option 1 all day pay parking	Sub option a) First hour free	Sub option b) Move to evade	Sub option c) remove time limits	Option 2 enforce park smart in lots
<b>Demand exceeds supply</b>	Increases revenue that can be used to fund future supply. Tempers demand for prime (priced) stalls	Will decrease revenue available to use for future supply.	Does not address this issue.		
<b>Clear signing, consistency across facilities</b>	Reduces confusion by establishing one set of rules that apply all day. Increases	First hour free may add confusion.	Introducing zones may add to confusion	Simplest signing and most consistency across lots	Additional signing aimed at employees may lead to additional confusion
<b>Improve maintenance</b>	Increases revenue that can be used to perform maintenance	Will decrease revenue available to use for maintenance.	Does not address this issue.		
<b>Employees use stalls intended for customers</b>	Uses price barrier to reduce demand by employees. Free employee parking is available nearby.	Does not address this issue.	Reduces ability of employees to move to evade if they move from lots to street.	Could increase incentive for employees to park in lots, since they can park once for several hours	Uses regulatory methods to reduce demand by employees.

## **Additional costs and revenue**

Additional annual revenue from adding pay parking can be found by multiplying the number of stall revenue hours per year by the rate per hour and then by utilization factor which describes how busy the stalls are. In the case of option 1, we estimate this to be on the order of \$82K/year.<sup>2</sup>

Applying a first hour free policy will reduce revenue. If council supports moving forward with a first hour free policy in connection with new revenue, the PAB will examine past pay parking behavior to estimate an empirical factor for this reduction.

Similarly, depending on how Council chooses to move forward the PAB can return to Council with analysis on how new revenue could be used to partner with developers to provide new supply and the maintenance needs that could be addressed from a new revenue stream.

Since existing pay stations are in place for existing evening parking, there is no need to install additional pay stations. New signing would be necessary under any option, but it would be minimal under option 2, more with option 1 and any sub options. Cost of such signing is estimated to be approximately \$700.

## **Conclusions**

Need to write this

<sup>2</sup> 173 parking stalls (Marina-123, Lake/Central-50) x 6 hours x 300 days (excludes Sundays & Holidays) x 30% for average occupancy x 12% for annual credit card fees and operation costs